

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

GENERAL MACHINE PRODUCTS CO

Delaware Valley Industrial Resource Center

General Machine Products Begins The Lean Transformation Process

Client Profile:

General Machine Products was established in 1936 in Philadelphia, Pennsylvania as a specialty machine shop servicing the Bell Telephone Company and an electric utility company. The production shop expanded after winning a contract with Western Electric and also forming a relationship with Bell Labs. The company began to manufacture prototypes for experimental use. In 1957, the company built a 100,000 square foot facility in Trevose, Pennsylvania and is still headquartered there. Today, General Machine Products' applications include the placement of copper conductor, coaxial, and fiber optic cables both aerially and underground. The company's line of products includes cable reels and rollers, cable cutters, unique modular plug pressing tools, and other specialty-designed tools for the data and telecommunications market. The company employs less than 100 people.

Situation:

In an effort to become more competitive by reducing costs, lowering inventory levels, and improving cash flow, General Machine Products (GMP) has developed a lean manufacturing strategy. The process is being implemented with the help of the Delaware Valley Industrial Resource Center (DVIRC), a NIST MEP network affiliate.

Solution:

DVIRC began the initiative by evaluating GMP's business and identifying challenges in the areas of inventory control, process synchronization, visual organization, and space utilization. DVIRC recommended the company focus on the lean transformation process. GMP employees attended an overview and Lean 101 class offered by DVIRC. Then, key employees participated in a value stream mapping (VSM) exercise designed to identify waste and create an improvement plan.

DVIRC led the VSM session, and employees discovered opportunities to reduce set-up times in the machining area and to implement cellular manufacturing in the assembly area. At DVIRC's recommendation, GMP developed a pull inventory system to replenish finished goods housed in a "supermarket." After completing the improvement projects, GMP realized a total of \$700,000 in retained sales and saved costs, and is happy to be a lean organization.

Results:

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Retained \$200,000 in sales.

Saved \$500,000 in costs for labor, materials, and overhead.

Reduced set-up time by an average of 50 percent.

Increased productivity by implementing point-of-use-storage, one-piece flow, and line balancing.

Reduced batch size from 35 units to 1 unit, thereby improving quality and reducing work-in-process.

Testimonial:

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